

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

No. 1722

Washington, D. C.

March 14, 1959

### Pennsylvania Changes Rule on Labeling Fluid Products

In the INFORMATION LETTER of January 3, the attention of canners was directed to recent rulings of the Pennsylvania Weights and Measures officials with respect to labeling the contents of canned foods. In conferences with N.C.A. staff and counsel, these Pennsylvania officials insisted that the term "net" must be included in the quantity declaration of all canned foods. A group of representative canners also attended this conference.

Recently, however, the Pennsylvania Weights and Measures officials have altered their position on these quantity declaration statements. There has been no change in their position that the word "net" must be included in the quantity declaration of all solid items. On fluid products, however, they have now reversed themselves, and have ruled that the word "net" need not precede volumetric declarations of contents.

### Transportation Labor Costs Cited by Advisory Committee

A study of transportation labor costs and the development of improved containers for perishable food commodities are important research needs, in the opinion of the USDA's Transportation Research Advisory Committee.

At its annual meeting February 24-26 the committee noted that transportation costs currently amount to about 12 percent of the total marketing bill for food commodities. Studies are needed, the committee said, to establish the effects of labor costs on total transportation costs.

Research on shipping containers should be directed toward the development of containers that maintain the quality of foods, it was said. Earlier studies have stressed the importance of low cost containers that protect the commodity against physical damage, and the need now is for further adaptation of containers to facilitate pre-cooling.

Research is also needed on motor-truck trailers to develop a practical method of testing the efficiency of truck bodies used in local delivery of frozen foods, the committee said.

Other important transportation research needs listed by the committee are further study of the economic effects of the agricultural exemption of certain shipments by motor carrier, studies on the effect of heavier car loadings on the condition of fresh produce, and research on new equipment to test its effectiveness in maintaining quality of food commodities.

Copies of the committee's formal report will be available from the committee's executive secretary, William C. Dachtler, Office of the Administrator, Agricultural Research Service, U. S. Department of Agriculture, Washington 25, D. C.

### Alaska Fishing Regulations

The Alaska commercial fishing regulations for 1959 generally prohibit the use of the fish trap, for years a controversial type of salmon fishing equipment in Alaska. The general ban on fish traps will not apply to 11 sites owned and operated by Indian villages.

A total of 243 salmon traps were operated along Alaska's coastline in 1958, but the take of the traps was limited by the number of days they were permitted to operate. In recent years traps have taken 25 to 40 percent of the total Alaska salmon catch.

The Fish and Wildlife Service, announcing the 1959 regulations, said that despite the elimination of most fish traps, little or no relaxation of restrictions is proposed in other forms of fishing gear because of the generally weak salmon runs expected in most areas of Alaska in 1959.

Pink and red salmon account for about 80 percent of the annual Alaska salmon catch and predictions are for poor runs in both of these species, according to the FAWS. Pink salmon, which has a two-year cycle, had a poor escapement in 1957; hence the prediction of small runs in 1959. Red salmon, with a four- to six-year cycle, had a poor escapement in both 1954 and 1955.

### N.C.A. Solicits Data for 1959 Canners Directory

The N.C.A. will publish a *Canners Directory* in 1959. Forms on which canners are invited to furnish Directory data were mailed this week to all N.C.A. members and other canners.

The 1959 edition will contain the following information about canners: (1) name and home office address of each firm; (2) location of factories operated by each firm; and (3) canned food products which are packed and/or sold by each firm. The products to be listed are those that are for human consumption, packed in airtight containers, and sterilized by the use of heat. Such products will be listed in the terminology and sequence that are reported on the Directory questionnaire form.

Canners are urged to fill out and return the Directory questionnaires promptly, so as to facilitate the publication of the 1959 *Canners Directory* as soon as practicable. The 1959 edition will be the first since 1956, which is now out of print.

### N.C.A. President Cites Gains in Canned Foods Consumption

Norman Sorensen made his first public appearances as N.C.A. President at canners' meetings this week. He spoke at the salmon industry's 21st annual Cutting and Research Conference in Seattle March 10, and at a meeting of the Utah Canners Association in Salt Lake City March 13.

The Salmon Cutting and Research Conference, which is sponsored by the N.C.A. Northwest Branch, includes an examination of samples packed by all of the salmon canners in Washington, Oregon, and Alaska. Also on the two-day program for salmon canners was George E. Steele, Jr., Director of the N.C.A. Fishery Products Division.

At the Utah meeting Mr. Sorensen pointed to the gains in popular acceptance which are being achieved for canned foods. He attributed the rising per capita consumption of

canned foods to their convenience, taste, and reasonable prices.

In the past 30 years, he stated, the pack of canned foods has risen 275 percent while the population has risen only 43 percent. He quoted the new canning industry slogan, "Nature's Best Is Better Canned!", as an explanation of the striking gains for all forms of canned foods.

Citing USDA statistics, Mr. Sorensen said that canned vegetables are outgaining frozen vegetables at a ratio of about two to one, while fresh vegetable consumption is actually on the decline.

A press campaign designed to call public attention to the salmon industry's attention to quality, in connection with the cutting and technical conference, was arranged by the N.C.A. Northwest Branch. A press release highlighting Mr. Sorensen's remarks at the Utah meeting was distributed by the Information Division to 57 newspapers and 30 radio-TV stations in Utah.

### Green Peas for Processing

Processors report that they intend to contract and grow 360,880 acres of green peas for processing in 1959, according to the Crop Reporting Board of USDA. This is 9 percent less than was planted last year and 21 percent below average. If the reported intentions are carried out, this will be the third consecutive year that the acreage has been reduced. If this acreage is planted and abandonment is equal to average, about 339,000 acres will be available for harvest. While many states show a decline from last year's acreage, Wisconsin accounts for over half of the reduction.

The prospective acreage to be planted for canning is 236,980 acres, 17 percent less than was planted last year and 29 percent below average. Normal abandonment on acreage for canning would make about 223,000 acres available for harvest. On such an acreage yields equal to the 1956-58 average would produce about 264,000 tons. This would be 24 percent less than last year's 347,960 tons for canning and 19 percent below average.

Freezers report they plan on 123,900 acres, 13 percent more than was planted for freezing last year and 2 percent below average. If this acreage is planted and abandonment is equal to average, about 115,000 acres should be available for harvest. On such an acreage, yields equal to the 1956-58 average would result in a crop of about 150,000 tons. This would

be 10 percent more than last year's 136,500 tons for freezing and 32 percent above the 1949-57 average.

State	Planted Acreage		Prospective	Percent change from 1958
	10-year ave. 1948-57	1958		
	(acres)	(acres)	(acres)	
N. Y.	25,000	12,500	12,800	+2
Pa.	13,000	6,800	6,700	-1
Ind.	3,000	2,800	2,100	-25
Ill.	27,100	25,000	21,000	-16
Mich.	6,000	5,300	2,900	-45
Wis.	130,300	111,400	90,000	-19
Minn.	57,900	47,000	42,500	-10
Del.	3,100	5,600	6,200	+11
Md.	8,800	7,300	7,100	-3
Va.	2,200	600	850	-6
Idaho	11,800	11,100	11,000	-1
Wash.	65,700	74,500	69,500	-7
Ore.	58,100	55,000	58,000	+5
Calif.	10,100	6,100	7,600	+25
Other states <sup>1</sup>	33,900	23,950	22,030	-8
U. S. Total.	455,900	395,850	360,880	-9
For freezing.	120,900	109,620	123,900	+13
For canning and other processing.	335,100	286,230	236,980	-17

<sup>1</sup> Ark., Colo., Iowa, Kans., Maine, Mo., Mont., Nebr., N. J., Ohio, Okla., Tenn., Utah, W. Va., and Wyo.

### Spinach for Processing

Production of spinach for processing from the 1959 winter crop in Florida and the early spring crop in California is expected to total 70,900 tons, according to the Crop Reporting Board of USDA. This is 75 percent more than was produced from these states in 1958. Both states increased sharply over last year. Florida expects to have 4,400 tons and California 66,500 tons.

Practically all of the acreage of spinach in California has been planted and the condition of the crop is considered good for all areas except on the earliest acreage in the Mission district of Monterey County. This acreage looks poor due to heavy "yellows" and involves several hundred acres which will probably have reduced yields as a result.

Seasonal Group and State	Production		1959 Preliminary
	10-year ave. 1949-57	1958	
	(tons)	(tons)	(tons)
Winter: Florida	13,700	1,800	4,400
Early Spring: California	52,100	38,800	66,500

<sup>1</sup> 1957 only; estimates not available for prior years.

### Tomatoes for Processing

Based on reports from processors, the prospective acreage to be planted to tomatoes for processing this year is 308,800 acres, according to the Crop Reporting Board of USDA. This level is 14 percent under the 360,500 acres planted in 1958 and 11 percent below average.

All states having as much as 10,000 acres in 1958 plan to reduce their acreage. California accounts for over 40 percent of the expected acreage reduction. Assuming average abandonment, about 303,000 acres would be available for harvest in 1959.

State	Planted Acreage		Prospective	Percent change from 1958
	10-year ave. 1948-57	1958		
	(acres)	(acres)	(acres)	
N. Y.	17,900	11,100	10,000	-10
N. J.	27,400	20,100	17,000	-15
Pa.	22,600	21,000	16,000	-24
Ohio	20,300	24,000	23,500	-2
Ind.	41,000	33,300	30,000	-10
Ill.	10,700	10,600	8,500	-20
Mich.	7,800	8,400	7,000	-7
Wis.	1,200	800	700	-12
Iowa	1,600	1,600	1,600	...
Mo.	3,800	1,500	1,400	-7
Del.	4,800	3,000	3,000	...
Md.	30,500	12,700	10,800	-15
Va.	14,800	12,000	11,000	-8
S. C.	1,600	1,700	1,800	+6
Fla.	6,500	8,000	6,700	-16
Ky.	1,800	1,400	1,300	-7
Ark.	5,000	2,700	2,700	...
Texas	17,200	10,000	12,000	-37
Colo.	3,300	3,800	3,800	...
Utah	6,700	6,500	5,100	-22
Calif.	106,000	152,900	130,000	-15
Other states <sup>1</sup>	4,900	4,400	4,100	-7
U. S. Total.	347,500	360,500	308,800	-14

<sup>1</sup> Ala., Ariz., Conn., Kans., La., Minn., Miss., Nebr., N. M., N. C., Okla., Ore., Tenn., Wash., and W. Va.

### Citrus Fruit Production

The 1958-59 orange crop was estimated on March 1 at 127 million boxes, according to the Crop Reporting Board of USDA. This estimate exceeds that of a month earlier and is 14 percent above last season and 3 percent above average.

The crop of Valencia oranges is forecast at 56 million boxes, unchanged from a month earlier, 24 percent larger than last season but 5 percent below the 1947-56 average.

To March 1 processors had utilized 37.2 million boxes of oranges, compared with 43.1 million boxes a year ago and 36.9 million boxes on the same date in 1957.

## Farmers' Net Income in 1958 Was 20% Higher than in 1957

Farmers' realized net income in 1958 rose to \$13.1 billion, up \$2.2 billion or 20 percent from 1957, according to a report by the Agricultural Marketing Service of USDA on *The Farm Income Situation*.

There was a substantial net accumulation of inventories in 1958, mostly due to an increase in livestock numbers. There was also a rise in inventories in 1957, resulting from the delayed harvest of crops, but it was smaller than the 1958 increase. Total net income—realized net income plus the increase in inventories—was \$14.2 billion in 1958, up \$2.6 billion or 22 percent from 1957.

The increase in realized net income last year reflected an increase of 11 percent in realized gross farm income, only partly offset by higher production expenses. The rise in production expenses was due mainly to increased expenditures for feeder livestock and purchased feed, although most other expense items were also higher than in 1957.

The rise in gross income was attributed by USDA to higher prices of livestock, larger marketings from record crop production, delayed marketings of 1957 crops, and some increase in payments for acreage placed in the Soil Bank.

Government payments to farmers in 1958 totaled \$1,089,431,000, including \$815 million under the Soil Bank, \$214.4 for Conservation payments, \$44.4 million under the Sugar Act, \$14 million under the Wool Act, and \$1.3 million under the Great Plains Conservation Program.

Total income of the farm population rose nearly 13 percent to \$22.2 billion in 1958. In addition to farm operators' adjusted net income of \$14.2 billion, this includes farm wages of \$1.8 billion and \$6.2 billion of income from nonfarm sources.

With the farm population rising some 2 percent in 1958, per capita income rose 10½ percent to \$1,068, a new high, 9 percent above the previous record of \$983 in 1951. In dollars of constant purchasing power, it was the highest in 10 years, according to USDA. Per capita income of the nonfarm population dropped 2 percent from 1957 to 1958.

### NUMBER OF FARMS

The number of farms continued to decrease in 1958 at a moderate rate compared with the trend of other recent years. The USDA estimates the

total number of farms in operation during 1958 at 4,749,000, down 2 percent from the 1957 total and 18 percent less than the number in operation 10 years ago.

In a state by state count of farm units, the number of farms in operation in 1958 is below the total for 1957 in every state except Arizona.

The trend in farm numbers continues downward, with preliminary estimates indicating approximately 4,645,000 farms in operation in 1959.

## The American Home

Food Director June M. Towne features canned foods in two articles in the March issue of *The American Home* magazine. Both articles are attractively illustrated with color and black and white photographs.

"Take A Can of Baked Beans" begins, "What fun, and good eating, too, when you take a can of baked beans. You can mix-match and supplement these standbys for countless delicious combinations that will bear your own personal touch." Recipes are given for Baked Bean Sandwiches, Baked Bean Skillet Supper using canned baked beans, corn and tomatoes, and Baked Beans and Ham En Casserole which includes tomato paste with the baked beans.

"Take A Can of Tomato Soup" says, "Open a can of tomato soup and you have a flavorful, economical cooking ingredient at your service as well as a soup. Use it in most any type dish you wish; with meats, vegetables, in various casseroles, and even in the famous tomato-soup cake, a recipe that is a constant source of surprise and delight to cooks everywhere." Canned cream of celery soup and lobster are used with the tomato soup in the recipe for Tomato Lobster Bisque. In addition, recipes for Tomato French Dressing and Swiss Steak are given.

## Virginia Canners Association

S. G. Wimmer of S. G. Wimmer & Son, Christiansburg, was elected president of the Virginia Canners Association at their 51st annual meeting. H. H. Perry of H. H. Perry Canning Co., Montross, was elected vice president.

E. S. Marshall of Patterson & Marshall, Roanoke, was reelected secretary-treasurer, and Robert A. Harris, Jr., of Cople Canning Co., Kinsale, was reelected assistant secretary-treasurer.

## Status of Legislation

The Easter recess has been tentatively scheduled for March 26-April 7.

**Agricultural trade development**—A number of bills to amend and extend P. L. 480 have been introduced and referred to the Agriculture Committees.

**Clayton Act**—S. 726 (Sparkman and others), to make all future orders of the FTC self-executing and to provide penalties of \$5,000 daily for violations of consent decrees, was reported by the Senate Judiciary Committee March 5. H. R. 2977 (Celler), a similar bill, is pending before the House Judiciary Committee.

**Consumer expenditures**—H. R. 4420 (Zablocki of Wis.), to authorize the FTC to conduct an investigation which would include a determination of what portion of consumer expenditures for food and other farm products is realized by the farmer, the processor, the distributor, and others, has been referred to the House Commerce Committee.

**Co-op jurisdiction**—H. R. 200 (Mason of Ill.), to transfer jurisdiction over cooperatives' pricing from USDA to the Justice Dept., has been referred to the House Judiciary Committee.

**Co-op taxation**—The Secretary of the Treasury has submitted a proposed draft of legislation designed to "ensure the ultimate payment of a single tax on cooperative income," but bills embodying the Administration recommendations have not been introduced.

**Fair trade**—S. 1083 (Humphrey and Proxmire), to amend the Federal Trade Commission Act to authorize proprietors of trade-marked goods to control the resale prices of their distributors, has been referred to the Senate Commerce Committee. H. R. 1253 (Harris of Ark.), an identical bill, will be the subject of public hearings by the House Commerce Committee March 16-20.

**FDA artificial coloring**—The Secretary of Health, Education, and Welfare has announced that the Department will support legislation designed to assist FDA in regulating the use of artificial coloring in foods, drugs, and cosmetics, but bills for that purpose have not yet been introduced.

S. 79, to permit the continuance of established practices in coloring fresh oranges, was passed by the Senate, with amendments, Feb. 9 and by the House March 13 and cleared for the President.

**Federal preemption**—H. R. 3 (Smith of Va.), to modify the doctrine of federal preemption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided, was approved by a House Judiciary Subcommittee March 5.



**Food stamps**—A number of bills designed to facilitate distribution of surplus foods to needy families have been introduced and referred to the Agriculture Committees.

**Hawaii statehood**—S. 50 was passed by the Senate March 11 and by the House March 12 and cleared for the President.

**Industrial uses**—Bills to provide programs of research on industrial uses of agricultural commodities were the subject of public hearings by a House Agriculture Subcommittee Feb. 18-20 and March 2-11.

**Labor-management practices**—S. 505 (Kennedy-Ervin), to establish safeguards against improper practices in labor organizations and in labor-management relations, was approved by a Senate Labor Subcommittee Feb. 18 and is pending before the full Labor Committee. Similar bills were the subject of public hearings by a House Labor Subcommittee March 3-4 and March 10-11 and will be considered further March 17-18.

**Marketing of potatoes**—S. 17 (Smith of Maine), to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, has been referred to the Senate Agriculture Committee.

**Marketing of turkeys**—S. 430 (Engle) and H. R. 1344 (Sisk of Calif.), to provide for controls on the marketing of turkeys, have been referred to the Agriculture Committees.

**Marketing orders and parity**—H. R. 642 (Sisk of Calif.), to authorize the Secretary of Agriculture to continue a marketing order in effect even after parity is reached, has been referred to the House Agriculture Committee.

**Marketing order regions**—H. R. 1070 (Ullman of Calif.), to authorize the issuance of marketing orders on any or all production or marketing areas, rather than on the smallest regional area, has been referred to the House Agriculture Committee.

**Premerger notification**—The Attorney General has recommended legislation requiring prior notification before corporate mergers and acquisitions where the capital involved is more than \$10 million. S. 442 (O'Mahoney-Kefauver), to require 60 days' notice prior to merger or acquisition of corporations having total book value of \$10 million, was approved by the Senate Antitrust and Monopoly Subcommittee Feb. 9, but was returned by the Judiciary Committee to the Subcommittee for further study.

**Price increases**—H. R. 4934 (McGovern of S. D.), to require advance notice and public justification before effectuating price increases in industries so heavily concentrated that monopoly or the threat of monopoly is present, has been referred to the House Judiciary Committee.

**Raw product bargaining**—H. R. 1793 (Bow of Mich.), to authorize collective bargaining between cooperative

associations of producers or handlers and processors or other purchasers, has been referred to the House Judiciary Committee.

**Robinson-Patman functional discounts**—S. 315 (O'Mahoney) and H. R. 929 (Rogers of Colo.), to require price differentials to wholesalers and retailers according to the character of their selling (not their buying), have been referred to the Judiciary Committee.

**Robinson-Patman good faith defense**—H. R. 11 (Patman), to restrict the "good faith" defense against a charge of price discrimination, has been referred to the House Judiciary Committee. S. 11 will be the subject of public hearings by the Senate Antitrust and Monopoly Subcommittee beginning March 17.

**Unemployment compensation**—Bills to amend the Social Security Act with respect to unemployment compensation, will be the subject of public hearings by the House Ways and Means Committee beginning April 7.

**Wage-Hour**—S. 1046 (Kennedy and others), which includes provisions to terminate the 7(b)(3), 7(c), and 13(a)(5) exemptions, and other bills to curtail exemptions and raise the minimum wage have been referred to the Labor Committee.

S. 1085 (McNamara and Clark), to provide minimum wage coverage for hired farm labor employed by large farm enterprises, has been referred to the Senate Labor Committee.

**Waste disposal facilities**—H. R. 322 (Byrnes of Wis.), to authorize rapid amortization of waste disposal facilities and treatment works, has been referred to the House Ways and Means Committee.

#### FISHERIES LEGISLATION

**Construction differential subsidy**—H. R. 2181 (King of Calif.), to amend the Merchant Marine Act to permit fishermen to apply for construction differential subsidies, has been referred to the House MM&F Committee. Such a provision also is included in S. 1374 (Saltonstall, Kennedy,

Smith, Muskie, Magnuson) and H. R. 5566 (Bates of Mass.) introduced March 11.

**Fisheries Assistance Act**—A number of bills to provide a five-year program of assistance to depressed segments of the fishing industry have been introduced.

**Fisheries Cooperative Bank**—H. R. 180 (Lane of Mass.), providing for establishment of a federal bank for fishery cooperative associations, has been referred to the House MM&F Committee.

**Fisheries Cooperative Marketing Act**—S. 23 (Smith), H. R. 2777 (McCormack of Mass.) and H. R. 3348 (Pelly of Wash.), to exempt fishery cooperatives from provisions of the antitrust laws, have been referred to the Senate Commerce Committee and the House MM&F Committee.

**Fishermen's Protective Act**—S. 971 (Magnuson), to amend the Fishermen's Protective Act of 1954 to broaden protection of U. S. vessels, has been referred to the Senate Commerce Committee.

**Mortgage and loan insurance**—S. 555 (Butler) and H. R. 3169 (Garmatz of Md.), to amend the Merchant Marine Act to provide mortgage and loan insurance on the cost of work in U. S. shipyards, have been referred to the Senate Commerce Committee and the House MM&F Committee.

**Polluted shellfish**—H. R. 1244 (Colmer of Miss.), to prohibit the importation of polluted shellfish, has been referred to the House Ways and Means Committee.

**Salmon conservation**—H. R. 605 (Pelly of Wash.) and other bills to prohibit the importation of salmon taken by nationals of a country that permits gill netting at certain times and places, have been referred to the House MM&F Committee.

**Tuna quotas**—H. R. 443 (Utt of Calif.), H. R. 447 (Wilson of Calif.) and H. R. 673 (Utt), to regulate the importation of tuna products, have been referred to the House Ways and Means Committee.

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